UNITED STATES PATENT AND TRADEMARK OFFICE

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>04 February 2008</u>.
2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.
3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>77-80 and 94-105</u> is/are pending in the application.
    4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5)☐ Claim(s) _____ is/are allowed.
6)☒ Claim(s) <u>77-80, 94-105</u> is/are rejected.
7)☐ Claim(s) _____ is/are objected to.
8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.
10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.
    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
    a)☐ All   b)☐ Some * c)☐ None of:
      1.☐ Certified copies of the priority documents have been received.
      2.☐ Certified copies of the priority documents have been received in Application No. _____.
      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)
2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3)☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4)☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5)☐ Notice of Informal Patent Application
6)☐ Other: _____.

DETAILED ACTION
Status of Claims

1.   This action is in reply to the RCE and Amendment/Response received on 4 February 2008.

2.   Claims 77-80 have been amended.

3.   Claims 94-105 have been added.

4.   Claims 52-60; 71 have been canceled.

5.   Claims 67; 89-93 have been withdrawn.

6.   Claims 77-80, 94-105 are currently pending and have been examined.

Continued Examination Under 37 CFR 1.114

7.   A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 4 February 2008 has been entered.

Claim Objections

8.   Claims 77-80, 94-104 are objected to because of the following informalities:

   a.   Claim 77 recites "the identifier", it appears that this is referring to the "customer identifier" previously recited. Appropriate correction is required.

   b.   Claim 77 recites "the gateway" and "the payment system", which appear to be referring to "merchant gateway" and "third party payment system" previously recited. Appropriate correction is required.

   c.   Claim 78, 80 recites "payment system", which appear to be referring to "third party payment system" previously recited. Appropriate correction is required.

   d.   Claim 94 recites "of customer", "a" should be inserted prior to "customer". Appropriate correction is required.

   e.   Claim 94 recites "the identifier", it appears that this is referring to "customer identifier" previously recited. Appropriate correction is required.

   f.   Claim 97 recites "the prior art gateway" in line 5 and "the adapted prior art gateway", which appear to be referring to "adapted prior art merchant gateway" previously recited. Appropriate correction is required.

   g.   Claim 97 recites "of this invention", this recitation is objected to. Appropriate correction is required.

h. Claim 99 recites "the identifier", which appears to be referring to "customer identifier". Appropriate correction is required.

i. In claim 99, "the" should be inserted prior to "bankcard data" in line 5 since "bankcard data" was previously recited in the preamble. Appropriate correction is required.

j. In claim 100, the should be inserted prior to "POS" in line 6. Appropriate correction is required.

k. Claim 100 recites "the adapted gateway", which appears to be referring to the "adapted prior art merchant gateway" previously recited. Appropriate correction is required.

l. In claim 100, "the" should be inserted prior to "CPIN" in line 7. Appropriate correction is required.

m. In claim 101, "the" should be inserted prior to "customer identifier" in line 4. Appropriate correction is required.

n. Claim 101 is objected to for the recitation of "of the preceding claim". Appropriate correction is required.

o. Claim 102 is objected to for the lack of a ".", please note claims end with a period. Appropriate correction is required.

p. Claim 102 recites "the prior art gateway" and "the gateway", which appears to be referring to "adapted prior art merchant gateway". Appropriate correction is required.

q. Claim 102 "recites "of this invention". Appropriate correction is required.

r. Claim 104 recites "the encrypted identifier", which appears to be referring to the "customer identifier" previously recited. Appropriate correction is required.

For prosecution consistency the Examiner requests Applicant review the claims for further inconsistencies, that which includes inconsistent terminology and recitations recited throughout the independent and dependent claims, and correct as appropriate.

Claim Rejections - 35 USC § 112, first paragraph

9. The following is a quotation of the first paragraph of 35 U.S.C. 112:

   The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

10. Claims 77-79, 94, 97-105 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. For example:

a. Claim 77 recites "CPIN", "POS", "third party payment system", "plurality of pre-stored customer bankcard data", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

b. Claim 79 recites "prior art payment transaction record", "prior art card authorization network", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

c. Claim 94 recites "pre-encoded", "preprinted", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

d. Claim 97 recites "adapted prior art merchant gateway", "POS", "CPIN", "prior art payment transaction", "prior art card authorization network", these recitations do not find antecedent basis in the claims as filed. Appropriate correction is required.

e. Claim 98 recites "pre-encoded", "pre-encrypted", "encryption algorithm", "decrypts", "reference algorithm", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

f. Claim 99 recites "preprinted" and "pre-encoded", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

g. Claim 100 recites "POS", "adapted prior art merchant gateway", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

h. Claim 101 recites "POS", this recitation does not find antecedent basis in the specification as filed. Appropriate correction is required.

i. Claim 102 recites "pre-stored", "prior art payment approval request", "POS", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

j. Claim 103 recites "encrypting", "decrypting", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

k. Claim 104 recites "anchors a plurality", "encrypted", "aliasing algorithm from a list of such algorithms in a database maintained by the security system", "POS", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

l. Claim 105 recites "encrypted", "decrypts", "prior art card processing network", these recitations do not find antecedent basis in the specification as filed. Appropriate correction is required.

m. Claim 105 recites "does not identity … customer bankcard data to the merchant systems", this recitation does non find antecedent basis in the specification as filed. Appropriate correction is required.

n. The remainder of the claims contain similar issues, Applicant is required to review the claims to ensure no new matter has been added. Also, in view of the above, appropriate correction is required.

Claim Rejections - 35 USC § 112, second paragraph

11. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

12. Claims 77-80 and 94-105 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Antecedent Basis:

   a. Claim 77 recites the limitation "the point of sale (POS) interface". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   b. Claim 79 recites "the payment transaction". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   c. Claims 79 and 80 recite "the bankcard data". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   d. Claim 97 recites "the payment system" in lines 5-6. There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   e. Claim 98 recites "the referenced algorithm". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   f. Claim 98 recites "the payment system". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   g. Claim 100 recites "payment transaction record" in line 4. There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   h. Claim 100 recites "the transaction" in line 7. There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   i. Claim 101 recites "the merchant POS". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   j. Claim 103 recites "the customer bankcard data". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   k. Claim 103 recites "the algorithm reference number". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   l. Claim 103 recites "the payment card". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   m. Claim 104 recites "the system". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

   n. Claim 104 recites "the merchant POS". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

o. Claim 104 recites "the security system". There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is required.

Vague & Indefinite:

p. Claim 77 recites "each bankcard identified with the CPIN", this recitation is not clear since this recitation is confusing by making it appear that each bankcard has it own CPIN, however the claim recites "a bankcard specific personal identification number (CPIN)" in line 5 which makes it appear that the "customer identifier" has its own CPIN rather than the stored customer bankcard data each having its own CPIN. Appropriate correction and clarification is required.

q. Claim 78 recites "the CPIN", in lines 3 and 5. It is not clear which CPIN this is referring to. Appropriate correction and clarification is required.

r. Claim 80 recites "a CPIN", it not clear whether this is an additional CPIN as CPIN was previously recited in claim 77. Appropriate correction and clarification is required.

s. Claim 80 recites "each bankcard", it is not clear whether this is referring to "each bankcard" recited in claim 77. If it is referring to that recited in claim 77, "the" should be inserted prior to "each bankcard" in claim 80. Appropriate correction and clarification is required.

t. Claim 97 recites "payment transaction" and "prior art payment transaction", it is not clear whether these are intended to be two different payment transactions or the same payment transaction. Appropriate correction and clarification is required.

u. Claim 100 recites "a payment transaction" in the preamble of claim 99 and "a payment transaction" in line 2 of claim 100. It is not clear whether the recitation is claim 100 is referring back to the recitation in claim 99 or the recitation in claim 100 is an additional "payment transaction". Appropriate correction and clarification is required.

v. Claim 101 recites "bypassing the gateway in steps (b) and (c)". Claim 102 depends from claim 101 and further recites "returning to the prior art gateway". It is not clear how this can occur since claim 101 requires the "gateway" be bypassed. Appropriate correction and clarification is required.

w. Claim 103 recites "each identified with a card", it is not clear what "each" is referring to. Is "each" referring to "bankcard data"? Appropriate correction and clarification is required.

x. Claim 104 recites "a payment transaction" in 5, it is not clear whether this is referring to the "payment transaction" previously recited in claim 104 or this is an additional payment transaction. Appropriate correction is required.

Claim Rejections - 35 USC § 102

13. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

14. Claims 77-80 are rejected under 35 U.S.C. 102(e) as being anticipated by Campisano (US 6227447).

> **Examiner's Note**: The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Claim 77 –

As per claim 77, Campisano disclose *a method of protecting bankcard data and securely selecting any one of a plurality of bankcards of a customer at a merchant point of sale for a payment to a merchant* having the limitations of:

- *a. entering of a customer identifier, without identity of name and bankcard number, and a bankcard specific personal identification number (CPIN) in the point of sale (POS) interface; (see at least Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4)*

- *b. sending the identifier and the CPIN, by the POS, to a merchant gateway; (see at least Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4)*

- *c. interfacing by the merchant gateway with a third party payment system, where the customer having a plurality of pre-stored customer bankcard data, each bankcard identified with the CPIN; (see at least Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4)*

- *d. sending by the gateway to the payment system the customer identifier and the CPIN. (see at least Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4)*

Claim 78 –

Campisano teach the method of claim 77 as described above. Campisano further disclose *a method* having the limitations of:

- *a. identifying a particular bankcard of the customer and verifying the customer by the CPIN in the payment system; (see at least Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4; col. 4, ll. 6-10, 41-45)*

- *b. returning to the merchant gateway the bankcard data corresponding to the customer identifier and the CPIN from the payment system. (see at least Fig. 1, col. 2, ll. 31-37)*

Claim 79 –

Campisano teach the method of claim 78 as described above. Campisano further disclose *a method* having the limitations of:

- *processing the payment transaction with the bankcard data by the merchant gateway by submitting a prior art transaction record to a prior art card authorization network. (see at least Fig. 1, col. 2, ll. 31-37)*

Claim 80 –

Campisano teach the method of claim 77 as described above. Campisano further disclose *a method* having the limitations of:

- *a. having access to the payment system by the customer; (see at least col. 3, ll. 7-26, 45-66)*
- *b. entering the bankcard data and self-selecting a CPIN for each bankcard of the customer. (see at least col. 3, ll. 7-26, 45-66)*

15. Claims 94-65, 99 are rejected under 35 U.S.C. 102(b) as being anticipated by Rose et al. (US 5770843).

Claim 94 –

As per claim 94, Rose et al. disclose *a payment card system that protects private data of a customer in customer to merchant payment transactions* having the limitations of:

- *a. a payment card with a substrate pre-encoded with a customer identifier that is without a name and bank data, the identifier maps the payment system, (see at least col. 2, ll. 14-22)*
- *b. the substrate preprinted with an alias name selected by the customer. (see at least col. 2, ll. 1-3, 24-27)*

Claim 95 –

Rose et al. teach the payment card system of claim 94 as described above. Rose et al. further disclose *a payment card system* having the limitations of:

- *the encoding medium is a magnetic strip. (see at least col. 2, ll. 10-14 of Rose et al.)*

Claim 99 –

As per claim 94, Rose et al. disclose *a method of conducting a payment transaction that protects the privacy of customer identity and bankcard data* having the limitations of:

- *delivering to a customer a payment card with a substrate preprinted with an alias name selected by the customer and pre-encoded with a customer identifier that is without a name and bankcard data, the identifier maps to a payment system. (see at least col. 2, ll. 1-3, 14-22, 24-27)*

Claim Rejections - 35 USC § 103

16. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

17. The factual inquiries set forth in Graham v. John Deere Co., 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1.   Determining the scope and contents of the prior art.
2.   Ascertaining the differences between the prior art and the claims at issue.
3.   Resolving the level of ordinary skill in the pertinent art.
4.   Considering objective evidence present in the application indicating obviousness or nonobviousness.

18. Claims 96-97, 100 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rose et al., as applied to claims 94-95, 99 above, further in view of Campisano (US 6227447).

Claim 96 –

Rose et al. teach the payment card system of claim 94 as described above. Rose et al. do not explicitly disclose:

- *the customer-identifier is self-created by the customer.*

Campisano teach *the customer-identifier is self-created by the customer* (see at least col. 3, ll. 63-66). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the payment card system of Rose et al. to include a card member selecting a PIN as taught by Campisano. One of ordinary skill in the art at the time of the invention would have been motivated to expand the payment card system of Rose et al. in this way since allows a customer to select multiple PINs, each of which would correspond to a different credit card and provide the PIN corresponding to the card the customer wishes to charge the purchase on (see at least col. 4, ll. 6-10 of Campisano).

Claim 97 –

Rose et al. teach the payment card system of claim 94 as described above. Rose et al. do not explicitly disclose:

- *a. an adapted prior art merchant gateway, the customer identifier from the payment card used for a payment transaction at a merchant POS, along with entry of a CPIN by the customer, routed to the adapted prior art merchant gateway, the adaptation in the prior art gateway routes the customer identifier and the CPIN to the payment system;*
- *b. the payment system maps the customer identifier and the CPIN to retrieve pre-stored bankcard data and returns to the adapted prior art gateway, for submission of a prior art payment transaction to prior art card authorization network, thereby the payment card of this invention does not transfer customer identity data to the merchant POS.*

Campisano teach *a. an adapted prior art merchant gateway, the customer identifier from the payment card used for a payment transaction at a merchant POS, along with entry of a CPIN by the customer, routed to the adapted prior art merchant gateway, the adaptation in the prior art gateway routes the customer identifier and the CPIN to the payment system; b. the payment system maps the customer identifier and the CPIN to retrieve pre-stored bankcard data and returns to the adapted prior art gateway, for submission of a prior art payment transaction to prior art card authorization network, thereby the payment card of this invention does not transfer customer identity data to the merchant POS* (see at least *Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4; col. 4, ll. 6-10*). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the payment card system of Rose et al. to include database(s) which verify the cardholder and process the transaction with the appropriate card information as taught by Campisano. One of ordinary skill in the art at the time of the invention would have been motivated to expand the payment card system of Rose et al. in this way since the entire process is similar to current day credit card transaction with the exception that instead of providing a plastic card, the cardmember need only enter their ten-digit phone number and PIN (see at least col. 2, ll. 40-43 of Campisano).

Claim 100 –
Rose et al. teach the payment card system of claim 99 as described above. Rose et al. do not explicitly disclose:

- *a. using the payment card for a payment transaction at a merchant POS and entering a CPIN by the customer;*
- *b. the POS routing the payment transaction record to an adapted prior art merchant gateway;*
- *c. identifying the use of the payment card at POS, by the adapted gateway, and routing the customer identifier and CPIN of the transaction to the payment system.*

Campisano teach *a. using the payment card for a payment transaction at a merchant POS and entering a CPIN by the customer; b. the POS routing the payment transaction record to an adapted prior art merchant gateway; c. identifying the use of the payment card at POS, by the adapted gateway, and routing the customer identifier and CPIN of the transaction to the payment system* (see at least *Fig. 1, col. 2, ll. 10-37, 40-47; col. 2, l. 60 through col. 3, l. 4; col. 4, ll. 6-10*). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the method of Rose et al. to include database(s) which verify the cardholder and process the transaction with the appropriate card information as taught by Campisano. One of ordinary skill in the art at the time of the invention would have been motivated to expand the payment card system of Rose et al. in this way since the entire process is similar to current day credit card transaction with the exception that instead of providing a plastic card, the cardmember need only enter their ten-digit phone number and PIN (see at least col. 2, ll. 40-43 of Campisano).

19. Claim 98 is rejected under 35 U.S.C. 103(a) as being unpatentable over Rose et al., as applied to claims 94-95, 99 above, further in view of Kramer (US 6286099).

Claim 98 –

Rose et al. teach the payment card system of claim 94 as described above. Rose et al. do not explicitly disclose:

- *the customer identifier as pre-encoded on the substrate is pre-encrypted, and embeds a reference to an encryption algorithm; the payment system decrypts the customer identifier using the referenced algorithm, and then uses the customer identifier to retrieve customer bankcard data in the payment system.*

Kramer teach *the customer identifier as pre-encoded on the substrate is pre-encrypted, and embeds a reference to an encryption algorithm; the payment system decrypts the customer identifier using the referenced algorithm, and then uses the customer identifier to retrieve customer bankcard data in the payment system* (see at least Fig. 2, col. 5, l. 35 through col. 6, l. 12). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the payment card system of Rose et al. to include the encryption/decryption as taught by Kramer. One of ordinary skill in the art at the time of the invention would have been motivated to expand the payment card system of Rose et al. in this way since it allows for secure, electronic payments in exchange for goods and services purchased over a communication network (see at least col. 1,ll. 6-10 of Kramer).

20. Claims 101-102 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rose et al., as applied to claims 94-95, 100 above, further in view of Campisano (US 6227447), as applied to claim 100 above, further in view of Albert et al. (US 5870722).

Claim 101 –

Rose et al. in view of Campisano teach the method of claim 100 as described above. Rose et al. in view of Campisano do not explicitly disclose:

- *connecting wirelessly by the merchant POS to the payment system for routing customer identifier and the CPIN, thereby bypassing the gateways as in steps (b) and (c).*

Albert et al. teach *connecting wirelessly by the merchant POS to the payment system for routing customer identifier and the CPIN, thereby bypassing the gateways as in steps (b) and (c)* (see at least col. 5, l. 37 through col. 6, l. 24, Fig. 3). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the method of Rose et al. in view of Campisano to include wireless financial transactions as taught by Albert et al. One of ordinary skill in the art at the time of the invention would have been motivated to expand the method of Rose et al. in view of Campisano in this way since it provides a method of settlement batch processing which may be used when a conventional financial transaction processing point-of-sale terminal is used with a wireless transmission system (see at least col. 10, ll. 8-12 of Albert et al.).

Claim 102 –

Rose et al. in view of Campisano further in view of Albert et al. teach the method of claim 101 as described above. Campisano further disclose a method having:

- *using the customer identifier and the CPIN, retrieving pre-stored bankcard data in the payment system, and returning to the prior art gateway, enabling the gateway to for a prior art payment approval request fro submitting the prior art payment approval request to a prior art card authorization network, wherein the payment card of this invention does not transfer customer identity data to the merchant POS. (see at least Fig. 1, col. 2, ll. 10-37 of Campisano)*

The motivation for making this modification to the teachings of Rose et al. is the same as that set forth above, in the rejection of Claim 100.

21. Claim 103 is rejected under 35 U.S.C. 103(a) as being unpatentable over Rose et al., as applied to claims 94-95, 99 above, further in view of Campisano (US 6227447), as applied to claim 100 above, further in view of Albert et al. (US 5870722) as applied to claims 101-102 above, further in view of Kramer (US 6286099).

Claim 103 –

Rose et al. in view of Campisano further in view of Albert et al. teach the method of claim 101 as described above. Rose et al. in view of Campisano further in view of Albert et al. do not explicitly disclose:

- *a. encrypting the customer identifier that is encoded on the substrate by the payment system;*
- *b. decrypting the customer identifier by the payment system before retrieving the customer bankcard data.*

Kramer teach *a. encrypting the customer identifier that is encoded on the substrate by the payment system; b. decrypting the customer identifier by the payment system before retrieving the customer bankcard data* (see at least Fig. 2, col. 5, I. 35 through col. 6, I. 12). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the payment card system of Rose et al. to include the encryption/decryption as taught by Kramer. One of ordinary skill in the art at the time of the invention would have been motivated to expand the payment card system of Rose et al. in this way since it allows for secure, electronic payments in exchange for goods and services purchased over a communication network (see at least col. 1,II. 6-10 of Kramer).

22. Claims 104-105 are rejected under 35 U.S.C. 103(a) as being unpatentable over Campisano (US 6227447), as in view of Kramer (US 6286099).

Claim 104 –

As per claim 104, Campisano disclose *a payment security system that provides identity security in use of bankcards* having the limitations of:

- *a. a customer identifier that is without customer name and bankcard data;* *(see at least Fig. 1, col. 2, II. 10-37, 40-47; col. 2, I. 60 through col. 3, I. 4)*
- *b. the customer identifier anchors a plurality of bankcard data of the customer, each identified with a specific personal identification number (CPIN) in the payment security system;* *(see at least Fig. 1, col. 2, II. 10-37, 40-47; col. 2, I. 60 through col. 3, I. 4; col. 4, II. 6-11, 41-45)*

Campisano do not explicitly disclose:

- *c. the customer identifier encrypted with an aliasing algorithm from a list of such algorithms in a database maintained by the security system and the encrypted identifier and the algorithm reference number are encoded on the a payment card encoding mechanism, wherein the payment card and the CPIN is used by the customer at a merchant point of sale terminal (POS) for conducting a payment transaction.*

Kramer teach *c. the customer identifier encrypted with an aliasing algorithm from a list of such algorithms in a database maintained by the security system and the encrypted identifier and the algorithm reference number are encoded on the a payment card encoding mechanism, wherein the payment card and the CPIN is used by the customer at a merchant point of sale terminal (POS) for conducting a payment transaction* (see at least Fig. 2, col. 5, l. 35 through col. 6, l. 12). It would have been obvious to one of ordinary skill in the art at the time of the invention to expand the payment card system of Campisano to include the encryption/decryption as taught by Kramer. One of ordinary skill in the art at the time of the invention would have been motivated to expand the payment card system of Campisano in this way since it allows for secure, electronic payments in exchange for goods and services purchased over a communication network (see at least col. 1,ll. 6-10 of Kramer).

Claim 105 –

Campisano in view of Kramer teach the payment security system of claim 104 as described above.
Kramer further disclose *a payment security system* having the limitations of:

- *on swiping of the payment card and the entry of the CPIN, the system receives from the merchant POS, the encrypted customer identifier and the CPIN, decrypts the customer identifier, selects the CPIN specific bankcard data of the customer for processing a payment transaction with a prior art card processing network, wherein, the security system does not identify the customer and the customer bankcard data to merchant systems.* (see at least Fig. 2, col. 5, l. 35 through col. 6, l. 12 of Kramer)

The motivation for making this modification to the teachings of Campisano is the same as that set forth above, in the rejection of Claim 104.

Double Patenting

23. Claims 77-80, 94-105 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 21-29 and 32-35 of copending Application No. 10/046834. Although the conflicting claims are not identical, they are not patentably distinct from each other because they are both directed to payment systems for private and secure transactions, payment cards/systems that protects the customer identity data.

24. This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented.

25. Please note claims 21-29 and 32-35 of 10/046834 appear to be withdrawn based on the Amendment/Response filed 26 December 2007, however these claims are still considered as pending since they have not been canceled.

Response to Arguments

26. Applicant's arguments filed 4 February 2008 have been fully considered but they are not persuasive for at least the following reasons:

- In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.,* 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

- In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, all references are directed to a form of merchant financial transactions.

- In response to applicant's argument that microprocessor-based creation of smart cards is nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, all references are directed to a form of merchant financial transactions.

- In response to applicant's argument that microprocessor-based creation of smart cards are not "Dumb" payment cards, the test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981).

- In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., "Dumb" payment card) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

- Please note Wong, Maes and Brody are still considered relevant art. The Examiner reserves the right to use Wong, Maes and/or Brody in future Office Actions.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SARAH M. MONFELDT whose telephone number is (571)270-1833. The examiner can normally be reached on Monday-Friday 7:30am-5:00pm (EST) ALT Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571)272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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